

AMENDED IN ASSEMBLY MAY 25, 2007

AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 697

Introduced by Assembly Member Ruskin

February 22, 2007

An act to amend ~~Sections 5544.2 and 5549~~ *Section 5544.2* of the Public Resources Code, relating to parks and recreation.

LEGISLATIVE COUNSEL'S DIGEST

AB 697, as amended, Ruskin. Parks and recreation: districts: ~~expenditures and repayment of indebtedness.~~

~~(1) Existing~~

Existing law provides for the creation and powers and duties of regional park districts, regional park and open-space districts, and regional open-space districts. Existing law authorizes those districts to acquire all necessary and proper lands and facilities by means of a plan to borrow money or by purchase on contract. Under existing law, indebtedness that is incurred in that manner on or after July 1, 1982, is generally required to be repaid during a period that does not exceed 20 years from the date on which it is incurred. Certain indebtedness incurred in that manner by the East Bay Regional Park District is required to be repaid in a period that does not exceed 30 years.

This bill would require indebtedness that is incurred in that manner by the East Bay Regional Park District or the Midpeninsula Regional Open Space District, on or after January 1, 2008, to be repaid during a period that does not exceed 30 years. The bill would make conforming changes.

~~(2) Existing law authorizes, with the approval of the board of directors of the district, the general manager of the East Bay Regional Park District, the Midpeninsula Regional Open Space District, or the Sonoma County Agricultural Preservation and Open Space District to bind the applicable district, in accordance with board policy, and without advertising, for the payment for supplies, materials, labor, or other valuable consideration for any purpose, including the new construction of a building, structure, or improvement in amounts not exceeding \$25,000.~~

~~This bill would increase the above spending limitation to \$50,000.~~

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 5544.2 of the Public Resources Code is
2 amended to read:
3 5544.2. (a) A district may acquire all necessary and proper
4 lands and facilities, or any portion thereof, by means of a plan to
5 borrow money or by purchase on contract.
6 (b) The amount of indebtedness to be incurred shall not exceed
7 an amount equal to the anticipated property tax revenue allocations
8 for the next five-year period derived pursuant to Chapter 6
9 (commencing with Section 95) of Part 0.5 of Division 1 of the
10 Revenue and Taxation Code or the anticipated tax income for the
11 period of repayment provided in subdivision (c) or (d), derived
12 pursuant to Section 50077 of the Government Code, or both.
13 (c) All indebtedness that is incurred on or after July 1, 1982,
14 pursuant to this section shall be repaid during a period not to exceed
15 20 years from the date on which it is incurred and shall bear interest
16 at a rate not exceeding 10 percent per annum, or the rate allowed
17 pursuant to Section 53531 of the Government Code, if higher,
18 payable annually or semiannually or in part annually and in part
19 semiannually. Notwithstanding any other provision of this section,
20 with respect to the East Bay Regional Park District only, all
21 indebtedness incurred pursuant to this section for acquisition of
22 lands and facilities designated in the district's master plan,
23 including the Chabot Ridgeland, shall be repaid during a period
24 not to exceed 30 years and at a rate not exceeding the rate allowed
25 in this section for other districts. All other acquisitions of land and

1 facilities by the East Bay Regional Park District not designated in
2 the master plan are subject to the 20-year repayment period
3 limitation of this section.

4 (d) Notwithstanding subdivision (c), all indebtedness that is
5 incurred by the East Bay Regional Park District or the
6 Midpeninsula Regional Open Space District, on or after January
7 1, 2008, pursuant to this section, shall be repaid during a period
8 not to exceed 30 years from the date on which it is incurred and
9 shall bear interest at a rate not exceeding 10 percent per annum,
10 or the rate allowed pursuant to Section 53531 of the Government
11 Code, if higher, payable annually or semiannually or in part
12 annually and in part semiannually.

13 (e) Each indebtedness shall be authorized by a resolution
14 adopted by the affirmative votes of at least two-thirds of the
15 members of the district board, shall be evidenced by a promissory
16 note or contract signed by the president of the board and attested
17 by the secretary or treasurer, and shall be sold at not less than 95
18 percent of the principal amount in the manner determined by the
19 board at a discount that equals the underwriter's spread. The board
20 shall determine that the discount reflects an underwriter's spread
21 that is both reasonable and customary under the prevailing market
22 conditions. One of the two signatures may be by facsimile
23 reproduction. At the time of making the general tax levy after
24 incurring each indebtedness and annually thereafter until the
25 indebtedness is paid or until there is a sum in the treasury set apart
26 for that purpose sufficient to meet all payments of principal and
27 interest on the indebtedness as they become due, a portion of the
28 taxes levied and collected pursuant to Section 50077 of the
29 Government Code, if any, shall be levied and collected and set
30 aside sufficient to pay the interest on the indebtedness and the part
31 of the principal that will become due before the proceeds of a tax
32 levied at the next general tax levy will be available.

33 (f) The indebtedness authorized to be incurred by this section
34 shall be in addition to, and the provisions of this section shall not
35 apply to, any bonded indebtedness authorized by vote of the
36 electors.

37 ~~SEC. 2. Section 5549 of the Public Resources Code is amended~~
38 ~~to read:~~

1 5549. (a) ~~The general manager has the following administrative~~
2 ~~and executive functions, powers, and duties. The general manager~~
3 ~~shall do all of the following:~~

4 ~~(1) Enforce this article and all ordinances and regulations of the~~
5 ~~district.~~

6 ~~(2) Appoint subordinates, clerks, and other employees, and~~
7 ~~exercise supervision and control over all departments and offices~~
8 ~~of the district. Those appointees shall hold employment at the~~
9 ~~pleasure of the general manager.~~

10 ~~(3) Attend all meetings of the board unless excused by the board.~~

11 ~~(4) Submit to the board for adoption any measures, ordinances,~~
12 ~~and regulations he or she deems necessary or expedient.~~

13 ~~(5) Enforce all terms and conditions imposed in favor of the~~
14 ~~district or its inhabitants in any contract and report any violations~~
15 ~~to the board or the police department, as appropriate.~~

16 ~~(6) Prepare and submit the annual budget to the board, and~~
17 ~~perform all other duties imposed by this article or by the board.~~

18 ~~(b) (1) With the approval of the board, the general manager~~
19 ~~may bind the district, in accordance with board policy, and without~~
20 ~~advertising, for the payment for supplies, materials, labor, or other~~
21 ~~valuable consideration for any purpose other than new construction~~
22 ~~of any building, structure, or improvement in amounts not~~
23 ~~exceeding ten thousand dollars (\$10,000), and for the payment for~~
24 ~~supplies, materials, or labor for new construction of any building,~~
25 ~~structure, or improvement in amounts not exceeding twenty-five~~
26 ~~thousand dollars (\$25,000). All expenditures shall be reported to~~
27 ~~the board of directors at its next regular meeting.~~

28 ~~(2) Notwithstanding paragraph (1), with the approval of the~~
29 ~~board, the general manager of the East Bay Regional Park District,~~
30 ~~the general manager of the Midpeninsula Regional Open Space~~
31 ~~District, and the general manager of the Sonoma County~~
32 ~~Agricultural Preservation and Open Space District may bind those~~
33 ~~districts, in accordance with board policy, and without advertising,~~
34 ~~for the payment for supplies, materials, labor, or other valuable~~
35 ~~consideration for any purpose, including the new construction of~~
36 ~~a building, structure, or improvement in amounts not exceeding~~
37 ~~fifty thousand dollars (\$50,000). All expenditures shall be reported~~
38 ~~to the board of directors at its next regular meeting.~~

1 ~~SEC. 3.~~

2 *SEC. 2.* The Legislature finds and declares that a special law
3 is necessary and that a general law cannot be made applicable
4 within the meaning of Section 16 of Article IV of the California
5 Constitution because of the high cost of land in the San Francisco
6 Bay area and the financial situation of the districts affected by this
7 act.

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